

**SENATE BUDGET COMMITTEE**  
**DEMOCRATIC CAUCUS**  
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**STATEMENT BY SENATOR KENT CONRAD (D-ND) ON  
CBO'S SCORING OF PRESIDENT BUSH'S 2004 BUDGET**

Today's report by the nonpartisan Congressional Budget Office confirms the dramatically worsening budget situation we face under President Bush's fiscal policies. The CBO numbers show larger deficits than expected in the short-term and deficits that continue for as far as the eye can see under the President's policies.

In a little over a month, CBO's estimate of the deficits for this year and next has increased by roughly \$50 billion per year. These deficit increases are continued evidence of the complete failure of the President's economic game plan.

And if we adopt the President's policies, CBO projects deficits of \$338 billion in 2004, \$31 billion worse than even the OMB's pessimistic estimate from just a month ago. And if we protect Social Security, CBO predicts deficits will actually reach \$512 billion in 2004.

While the administration refused to reveal the out-year effects of its budget in documents it released last month, CBO provides us with new insight into the long-term costs of the President's policies by providing estimates for the second five years. According to CBO, under the President's policies we will remain in deficit indefinitely. And when Social Security is excluded, deficits exceed \$400 billion in every year of the decade. There is nothing moderate or manageable about that. And we need to remember these deficits are at a time we should be paying down debt to prepare for the retirement of the baby boom generation.

After four straight years of surpluses in the previous administration, this White House has dragged us into a new era of exploding deficits and debt. The Bush administration's tax and spending policies don't add up, don't come close to adding up, and according to CBO's data, never will. How much more red ink must we experience before this administration acknowledges there is a problem, and offers a fiscally responsible plan that will start digging us out of this deep deficit hole?

And, despite the administration's contention that deficits don't matter, most Americans know better. The fact of the matter is that bigger deficits, particularly these long-term structural deficits that the President's budget creates, will lead to higher interest rates, the crowding out of private sector investment, and slower long-term economic growth.

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